



STATE OF ARIZONA

April 29, 2011

JANICE K. BREWER
GOVERNOR

EXECUTIVE OFFICE

The Honorable Ken Bennett
Secretary of State
1700 West Washington, 7th Floor
Phoenix, Arizona 85007

RE: House Bill 2067 (board of supervisors; powers)

Dear Secretary Bennett:

Today I vetoed House Bill 2067. Although I share the Legislature's concerns about the unacceptable process by which the Arizona Board of Regents (ABOR) recently exercised its authority over the University of Arizona (UA) Healthcare board, and I appreciate efforts by legislative leadership to institute a cooling-off period for all parties, I am concerned about the legal and contractual implications of the legislation.

To be clear, I do not endorse ABOR's actions or the surprising eleventh-hour decisions undertaken without input from key policymakers. I support efforts by the Legislature to have a clearer understanding about the appropriate governance structure and funding of the University of Arizona College of Medicine (UA COM) and UA Healthcare. Decisions on such an important community resource, which is funded by taxpayers, cannot be made in isolation by an elite group of individuals who have appointed themselves as the sole arbiters of the future direction of our state's academic medical center.

Despite the messaging that economic doom will befall our great state if this legislation were signed, I have yet to hear a clearly articulated reason why the existing structure limits our opportunity for success. However, due to the concerns mentioned above, I am reluctantly vetoing House Bill 2067.

Any further discussion regarding the relationship between UA Healthcare and the UA COM must be transparent and include input from a much broader set of stakeholders, including those elected to oversee our state's academic resources. If ABOR and the parties involved continue discussions regarding this important community resource without involvement of these stakeholders and key policymakers, I will call a special session to enact an appropriate framework for the conversation.

The Honorable Ken Bennett

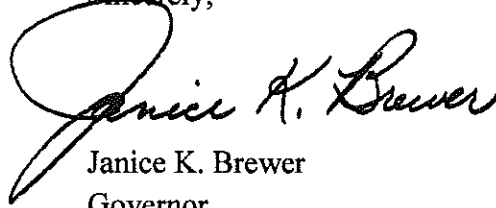
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In the meantime, to provide oversight of future discussions on the issue of the relationship between UA Healthcare and the UA COM, and to facilitate better communication among the parties, I am establishing by Executive Order the Arizona Medical Education Oversight Task Force. The Task Force will conduct a review of the process so far, oversee ongoing discussions, solicit input from a broad range of stakeholders, conduct an analysis of options for the structure of the academic medical center – including privatizing functions to the greatest extent possible – and make recommendations to me regarding future direction.

Dialogue with higher education, health care, community and business leaders will help ensure broad support for any future vision of our state's academic medical center. This support is critical to its success. Arizonans from all walks of life benefit from the state having a world class academic medical center, and we are all invested in its future.

Sincerely,

A handwritten signature in black ink, reading "Janice K. Brewer". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping tail that extends under the name.

Janice K. Brewer
Governor

cc: The Honorable Russell Pearce
The Honorable Andy Tobin
The Honorable Judy Burges
Senate Secretary
Chief Clerk of the House of Representatives
Arizona News

Executive Order 2011-01

Establishing the Arizona Medical Education Oversight Task Force

WHEREAS, Arizona should strive to have a world class academic medical center that contributes significantly to the state's health care system, education institutions, economy and community;

WHEREAS, an academic medical center requires a unique balance of health care and higher education priorities, and should represent the best of both disciplines;

WHEREAS, balancing the joint functions of teaching, medical research, and patient care is critical to preserving the mission of the academic medical center, and conducting each of these functions in the most efficient and effective manner possible is imperative;

WHEREAS, an academic medical center must engage in strong collaborations to balance public sector accountability with private sector innovation;

WHEREAS, academic medical centers must be prepared for the changes in health care delivery that are necessary to ensure the sustainability of Arizona's health care system, and must help drive improvements in quality of care and cost containment;

WHEREAS, stakeholder involvement and support is critical to the future success of the state's academic medical center;

WHEREAS, the merger of the University Medical Center and University Physicians Healthcare, and the continued partnership with the University of Arizona College of Medicine (UA COM), set the stage for a unified vision of an unparalleled academic medical center that serves the needs of all Arizonans;

NOW, THEREFORE, I, Janice K. Brewer, Governor of the State of Arizona, by virtue of the power vested in me by the Constitution and the laws of this State, do hereby establish the Arizona Medical Education Oversight Task Force and order as follows:

1. The Task Force shall consist of representatives from UA Healthcare, UA COM, and ABOR, as well as community, business, health care safety net, and private health care leaders appointed by the Governor. The Speaker of the House of Representatives, or the Speaker's designee, and the President of the Senate, or the President's designee shall also serve as members of the Task Force.

2. The Governor shall appoint the Chairperson and Vice-Chairperson from the membership of the Task Force.
3. The Task Force is charged with:
 - a. Providing oversight of future discussions regarding the future of the relationship between the UA COM and the University of Arizona (UA) Healthcare;
 - b. Facilitating better communication between parties to the discussion.
 - c. Reviewing the process conducted to date.
 - d. Conducting an analysis of options for the structure of the academic medical center, including the governance model of the organization and relationship between the State of Arizona, the UA COM, ABOR, the health care system throughout Arizona, and the community.
 - e. Making recommendations to the Governor regarding future direction.
4. The Task Force shall conduct stakeholder engagement with higher education, health care, community and business leaders regarding the nature of the UA COM and UA Healthcare relationship, including providing information to relevant stakeholders, and receiving and considering stakeholder input on a vision for the future of Arizona's academic medical center.



IN WITNESS WHEREOF, I have hereunto set my hand and cause to be affixed the Great Seal of the State of Arizona.

Janice K. Brewer
GOVERNOR

DONE at the Capitol in Phoenix, Arizona this 29th day of April in the year Two Thousand and Eleven and of the independence of the United States of America the Hundred and Thirty-Fifth.

ATTEST:

Ken Blumett

SECRETARY OF STATE

Conference Engrossed

State of Arizona
House of Representatives
Fiftieth Legislature
First Regular Session
2011

HOUSE BILL 2067

AN ACT

AMENDING SECTION 11-251.02, ARIZONA REVISED STATUTES; RELATING TO THE BOARD OF REGENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 11-251.02, Arizona Revised Statutes, is amended to
3 read:

4 11-251.02. Additional powers of the board

5 The board of supervisors may:

6 1. Authorize the use of county personnel, facilities, equipment,
7 supplies and other resources in search or rescue operations involving the
8 life or health of any person.

9 2. Contract for the acquisition, rental or hire of equipment,
10 services, services supervision, supplies and other resources for use in such
11 search or rescue operations.

12 3. Contract with an ambulance service provider that has a certificate
13 of necessity issued pursuant to title 36, chapter 21.1, article 2 to provide
14 ambulance service in the rural or wilderness service areas in counties with a
15 population of less than five hundred thousand persons.

16 4. CONTRACT WITH A GOVERNMENT AGENCY TO PROVIDE THE SERVICES OF THE
17 CONSTABLE AT FEES THAT ARE LESS THAN THOSE ESTABLISHED BY SECTION 11-445,
18 EXCEPT FOR THOSE SERVICES THAT ARE SPECIFICALLY AUTHORIZED BY LAW TO BE
19 PERFORMED SOLELY BY THE SHERIFF.

20 5. ENTER INTO AGREEMENTS PURSUANT TO SECTION 15-1637, SUBSECTION G,
21 PARAGRAPH 1.

22 Sec. 2. Arizona board of regents; suspension of authority over
23 nonprofit corporations that govern hospitals
24 affiliated with the university of Arizona;
25 retroactivity

26 A. Notwithstanding section 15-1637, Arizona Revised Statutes,
27 beginning on the effective date of this act until eighteen months after the
28 effective date of this act, the Arizona board of regents shall not exercise
29 any authority, governance or responsibility over any nonprofit corporation
30 that governs a hospital or hospitals affiliated with the university of
31 Arizona.

32 B. A nonprofit corporation that governs hospitals affiliated with the
33 university of Arizona on the effective date of this act shall continue to
34 have full authority, governance and responsibility over that hospital or
35 hospitals during the period of time specified in subsection A of this
36 section.

37 C. This section is effective retroactively to April 18, 2011.

38 Sec. 3. Intent

39 It is the intent of the legislature that the board of directors of the
40 nonprofit corporation that governs a hospital affiliated with the university
41 of Arizona ensures that the hospital be operated exclusively for charitable,
42 scientific and educational purposes. Specifically, the board shall promote
43 the delivery of medical and health care services and be operated to perform
44 the functions of, or to carry out the purposes of, the university of Arizona
45 and its college of medicine.

Passed the House February 22, 2011

by the following vote: 60 Ayes,

0 Nays, 0 Not Voting

[Signature]
Speaker of the House

Cheryl Laube
Chief Clerk of the House

Passed the Senate April 13, 2011

by the following vote: 27 Ayes,

3 Nays, 0 Not Voting

[Signature]
President of the Senate

Charmian Bellington
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

 day of , 20

at o'clock M.

Secretary to the Governor

Approved this day of

at o'clock M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this day of , 20

at o'clock M.

Secretary of State

H.B. 2067

HOUSE FINAL PASSAGE
as per Joint Conference

Passed the House April 19, 20 11

by the following vote: 39 Ayes,

21 Nays, 0 Not Voting

[Signature]
Speaker of the House

Cheryl Laube
Chief Clerk of the House

SENATE FINAL PASSAGE
as per Joint Conference

Passed the Senate April 19, 20 11

by the following vote: 24 Ayes,

6 Nays, 0 Not Voting

[Signature]
President of the Senate

Charmine Bellington
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

20 day of April, 20 11

at 8:30 o'clock A.M.

[Signature]
Secretary to the Governor

Approved this _____ day of _____

VETO
at _____ o'clock _____ M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this _____ day of _____, 20 _____

at _____ o'clock _____ M.

Secretary of State

H.B. 2067